

386B.1-090 Nonjudicial settlement agreements.

- (1) For purposes of this section, "interested persons" means persons whose consent would be required to achieve a binding settlement were the settlement to be approved by the court.
- (2) Except as otherwise provided in subsection (3) of this section, interested persons may enter into a binding nonjudicial settlement agreement with respect to any matter involving a trust. This procedure is not intended to foreclose or limit any other avenue of settlement under the laws of this Commonwealth.
- (3) A nonjudicial settlement agreement is valid only to the extent it does not violate a material purpose of the trust and includes conditions that could be properly approved by the court under this chapter or other applicable law.
- (4) Matters that may be resolved by a nonjudicial settlement agreement include:
 - (a) The interpretation or construction of the terms of the trust;
 - (b) The approval of a trustee's report or accounting;
 - (c) Direction to a trustee to refrain from performing a particular act or the grant to a trustee of any necessary or desirable power;
 - (d) The resignation or appointment of a trustee and the determination of a trustee's compensation;
 - (e) Transfer of a trust's principal place of administration; and
 - (f) Liability of a trustee for an action relating to the trust.
- (5) Any interested person may request the court to approve a nonjudicial settlement agreement, to determine whether the representation under Subchapter 3 of this chapter was adequate, and to determine whether the agreement contains conditions the court could have properly approved.
- (6) The District Court shall have exclusive jurisdiction over matters under this section.

Effective: July 15, 2014

History: Created 2014 Ky. Acts ch. 25, sec. 9, effective July 15, 2014.